GEORGIA INSTITUTE OF TECHNOLOGY
OFFICE OF RESEARCH ADMINISTRATION

RESEARCH PROJECT INITIATION

Date: June 21, 1974

Project Title: Capital Asset Pricing Theory and the Oil Industry

Project No: M-50-608

Principal Investigator: Dr. Roman L. Weil

Sponsor: National Science Foundation

Agreement Period: From July 1, 1974 Until December 31, 1975*
*12 month budget period 6 months for report submission, etc.

Type Agreement: Grant No. GS-43770

Amount: $33,600 NSF
3,201 GIT (M-50-312)
$36,801 Total

Reports Required: Final Progress Report

Sponsor Contact Person (s):
Mr. Wilbur W. Bolton, Jr.
Grants Officer
National Science Foundation
Washington, D. C. 20550

Assigned to: Industrial Management

COPIES TO:

Principal Investigator	Library
School Director	Rich Electronic Computer Center
Dean of the College	Photographic Laboratory
Director, Research Administration	Project File
Director, Financial Affairs (2)	
Security-Reports-Property Office	
Patent Coordinator	Other

RA-3 (6-71)

GEORGIA INSTITUTE OF TECHNOLOGY
OFFICE OF CONTRACT ADMINISTRATION

SPONSORED PROJECT TERMINATION

Date: January 12, 1978

Project Title: Capital Asset Pricing Theory and the Oil Industry

Project No: M-50-608

Project Director: Dr. Roman L. Weil

Sponsor: National Science Foundation

Effective Termination Date: 3/22/76

Clearance of Accounting Charges: All clear.

Grant/Contract Closeout Actions Remaining:

NONE.

_ Final Invoice and Closing Documents
_ Final Fiscal Report
_ Final Report of Inventions
_ Govt. Property Inventory & Related Certificate
_ Classified Material Certificate
_ Other _____

Assigned to: Industrial Management (School/Laboratory)

COPIES TO:

Project Director
Division Chief (EES)
School/Laboratory Director
Dean/Director–EES
Accounting Office
Procurement Office
Security Coordinator (OCA)
Reports Coordinator (OCA)
Library, Technical Reports Section
Office of Computing Services
Director, Physical Plant
EES Information Office
Project File (OCA)
Project Code (GTRI)
Other _____

CA–4 (3/76)

NATIONAL SCIENCE FOUNDATION
Washington, D.C. 20550

FINAL PROJECT REPORT
NSF FORM 98A

PLEASE READ INSTRUCTIONS ON REVERSE BEFORE COMPLETING

PART I–PROJECT IDENTIFICATION INFORMATION

1. Institution and Address	2. NSF Program	3. NSF Award Number
Georgia Institute of Technology Atlanta, Georgia 30332	Economics	SOC74-21448 A01
	4. Award Period From 07-01-74 To 12-31-76	5. Cumulative Award Amount $68,400

6. Project Title

Capital Asset Pricing Theory and the Oil Industry

PART II–SUMMARY OF COMPLETED PROJECT *(FOR PUBLIC USE)*

This study represents an effort to measure the profitability of the petroleum industry in the United States over the ten-year period ending 1974. The objectives were to determine (1) whether or not excess profits were generated by the industry during that time, (2) what constitute appropriate measures of profitability, and (3) what problems arise when attempting to compare profitability among firms in the petroleum industry and between this and other industries.

The profitability of firms in the industry was first measured by means of traditional accounting ratios of income to assets, owners' equity, and their variations. Then a study was made of the rate of return accruing to investors in terms of dividends and the market price of the firms' stocks.

The profitability analysis utilizing accounting ratios indicated that over the period under study the petroleum industry as a whole did not earn extra-ordinarily high rates of return on capital invested in it. On the other hand, the analysis of returns to investors in terms of dividends and stock prices indicated exactly the opposite result. The remainder of the study was devoted to an effort at reconciling these divergent results and to the development of models of alternative accounting systems which would permit more realistic comparisons of firms within the industry.

PART III–TECHNICAL INFORMATION *(FOR PROGRAM MANAGEMENT USES)*

1. ITEM *(Check appropriate blocks)*	NONE	ATTACHED	PREVIOUSLY FURNISHED	TO BE FURNISHED SEPARATELY TO PROGRAM	
				Check (✓)	Approx. Date
a. Abstracts of Theses	X				
b. Publication Citations			X		
c. Data on Scientific Collaborators			X		
d. Information on Inventions	X				
e. Technical Description of Project and Results			X		
f. Other *(specify)* None					

2. Principal Investigator/Project Director Name *(Typed)*	3. Principal Investigator/Project Director Signature	4. Date
Roman L. Weil		8-11-80

INSTRUCTIONS FOR FINAL PROJECT REPORT
(NSF FORM 98A)

This report is due within 90 days after the expiration of the award. It should be submitted in two copies to:

National Science Foundation
Division of Grants and Contracts
Post-Award Projects Branch
1800 G Street, N.W.
Washington, D.C. 20550

INSTRUCTIONS FOR PART I

These identifying data items should be the same as on the award documents.

INSTRUCTIONS FOR PART II

The summary (about 200 words) must be self-contained and intelligible to a scientifically literate reader. Without restating the project title, it should begin with a topic sentence stating the project's major thesis. The summary should include, if pertinent to the project being described, the following items:

- The primary objectives and scope of the project.
- The techniques or approaches used only to the degree necessary for comprehension.
- The findings and implications stated as concisely and informatively as possible.

This summary will be published in an annual NSF report. Authors should also be aware that the summary may be used to answer inquiries by nonscientists as to the nature and significance of the research. Scientific jargon and abbreviations should be avoided.

INSTRUCTIONS FOR PART III

Items in Part III may, but need not, be submitted with this Final Project Report. Place a check mark in the appropriate block next to each item to indicate the status of your submission.

a. Self-explanatory.
b. For publications (published and planned) include title, journal or other reference, date, and authors. Provide two copies of any reprints as they become available.
c. Scientific Collaborators: provide a list of co-investigators, research assistants and others associated with the project. Include title or status, e.g. associate professor, graduate student, etc.
d. Briefly describe any inventions which resulted from the project and the status of pending patent applications, if any.
e. Provide a technical summary of the activities and results. The information supplied in proposals for further support, updated as necessary, may be used to fulfill this requirement.
f. Include any additional material, either specifically required in the award instrument (e.g. special technical reports or products such as films, books, studies) or which you consider would be useful to the Foundation.